PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER		DATE	January 09, 2019
MOTOR CARRIER MATTER	✓	DOCKET NO.	2018-212-W
UTILITIES MATTER	✓	ORDER NO.	2019-37

THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.

SUBJECT:

<u>DOCKET NO. 2018-212-W</u> - <u>Colleen Walz, Chief of St. John's Fire District,</u> <u>Complainant/Petitioner v. Kiawah Island Utility, Incorporated, Defendant/Respondent</u> - Staff Presents for Commission Consideration Kiawah Island Utility, Incorporated's Motion to Consolidate.

COMMISSION ACTION:

This Complaint, filed by Colleen Walz, Chief of St. John's Fire District, challenges the fire hydrant "rental" fee of \$134.79 being charged by Kiawah Island Utility, Inc. The St. John's Fire District is a Special Purpose District created in 1959 to provide fire protection to John's Island, Wadmalaw Island, Kiawah Island, and Seabrook Island. The Complaint seeks to have the fees associated with hydrant service assessed directly to the customers of Kiawah Island Utility, Inc. instead of the District. According to the Complaint, the present rate for use of approximately 494 hydrants by the District is \$134.79 per hydrant per year, which equals \$66,586.26.

On December 21, 2018, Kiawah Island Utility filed a response, noting that this charge was first approved by the Commission in a 1984 rate case and has since been reapproved in six subsequent rate cases. Additionally, the Utility has a current rate case pending in Docket No. 2018-257-WS, and it maintains that the Complaint should be considered in that Docket rather than as an individual complaint. In support of its position, Kiawah Island Utility argues that this is an issue of rate design, since any lost revenue from the Hydrant Charges would have to be absorbed by other customers and require an increase in their rates.

I agree with the Utility that this is an issue of rate design that should be addressed in a rate case. As such, I find we should grant the relief requested in the Utility's Motion. Therefore I move that the Commission:

- Accept and grant Chief Walz's Complaint as a Petition for Intervention in Docket No. 2018-257-WS, so that this issue presented by the Complaint can be raised in that rate case Docket, and
- Direct staff to close the Complaint Docket.

PRESIDING:	Randall				SESSION: Re	<u>egular</u>	TIME:	2:00 p.m.
ELAM	MOTION <	YES	NO	OTHER				

ERVIN	✓	
HAMILTON	✓	
HOWARD	✓	
RANDALL	✓	
WHITFIELD	✓	
WILLIAMS	✓	

(SEAL) RECORDED BY: J. Schmieding

